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Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TWB-204
Washington, DC 20554

Re: Notice of Oral Ex Parte Communication, In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, CC Docket Nos. 01-338, 96-98 and 98-147

Dear Ms. Dortch:

On November 13, 2002, WorldCom, Inc. provided additional information regarding the viability of the DS0 Enhanced Extended Link (EEL) as a means to facilitate the expansion of UNE-L based competition. While it is not clear from Worldcom's submission exactly what network architecture and technology its proposal encompasses -- information that is critical in evaluating any proposal of this nature -- it would appear that this proposal would provide only limited help in facilitating the expansion of UNE-L based competition in the near term.

At the outset, it is important to note that WorldCom is clearly correct that it is the legacy incumbent local networks that inherently impede multi-carrier access and that has thwarted CLECs' ability to access voice-grade loops efficiently and cost effectively. WorldCom is also correct that any remedy to this problem requires that the incumbents' networks be modified and upgraded to rectify these shortcomings. However, the underlying technology on which WorldCom's "concentrated EEL" proposal is based will not remedy the inherent network obstacles that impede facilities-based competition, particularly for mass market customers served by analog loops. Until policy makers and regulators are ready to fully rectify these problems, alternative means of entry, including UNE-P, will be necessary in order for CLECs to provide competitive services to end-users.

A "concentrated EEL" is simply a loop/transport combination that includes a DLC configuration that would otherwise be deployed by a CLEC in its own collocation, *i.e*., a DLC that provides analog-to-digital conversion, multiplexing and concentration functionalities *via* a GR-303 interface to its switch. As AT&T has previously demonstrated, the "backhaul" penalty CLECs face in carrying traffic from the loop termination point in an ILEC central office to its own switch is substantial, and includes significant costs for loop provisioning, collocation, DLC equipment and transport between the collocation and its switch.[1] At best, WorldCom's concentrated EEL proposal only addresses the costs associated with two of those cost components – the collocation and DLC equipment costs.

More importantly, even if the proposal could meaningfully address the entire array of economic penalties, the substantial investment necessary to support a concentrated EEL architecture would be better directed toward the deployment of a *true* next generation network configuration that would support *both* electronic loop provisioning and multi-carrier access to the high frequency portion of customer loops. Neither of these critical functionalities is addressed by WorldCom's proposal.

WorldCom's proposal would require the incumbents to modify/upgrade their local networks to provide analog-to-digital conversions, multiplexing, and concentration of CLEC loops. One way of achieving this would be through the deployment of a GR-303 DLC architecture. However, in order for the concentrated EELs to be widely available -- and thus to be of meaningful use to CLECs -- the GR-303 DLC architecture would have to be widely deployed and affect both DLC based and non-DLC based (*i.e*., direct copper run) loops. This in turn would entail investment that is comparable to that necessary to implement AT&T's Electronic Loop Provisioning (ELP) proposal.[2] Critically, however, a GR-303 based approach would not produce all the benefits inherent in AT&T's ELP proposal. In particular, WorldCom's proposal does not appear to provide for electronic loop provisioning functionality, nor does it support multi-carrier access to the high frequency portion of the loop. Rather, a GR-303 approach would likely perpetuate CLEC reliance on the manual hot-cut process and it clearly does not address CLEC access to broadband loops.

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[1] *See, e.g*., AT&T *ex parte* entitled "Promoting Mass-Market Competition: Facing the Analog Wall," dated November 8, 2002; AT&T *ex parte* dated November 26, 2002 (demonstrating that SBC's own cost data validate AT&T's showing that CLECs face a significant cost disadvantage in providing POTS service using their own switches).

[2] Indeed, SBC has already *asserted* that the necessary capital investment would be $479/line (or more) if it is provided by the incumbent. *See* SBC's ex parte entitled "UNE-Loop/Special Access Network Impact Overview" *at* 7, dated November 13, 2002. As AT&T discussed in its Electronic Loop Provisioning Proposal, AT&T's estimated cost to fully upgrading an ILEC's network to support true next generation functionality is ~$113/line. *See* AT&T's ex parte entitled "Electronic Loop Provisioning (ELP): Enabling The Competitive All-Service Network Of The Future" *at* 25 dated August 7, 2002.

In addition to these shortcomings, other operational concerns must be addressed before the deployment of any solution whose underlying architecture and technology is premised on GR-303 DLCs.[3]

* ***GR-303 DLCs Limit The Number of Accessing LECs.*** GR-303 requires the establishment of separate and distinct Interface Groups (IGs) for each LEC seeking access to a given DLC. However, GR-303 currently limits the total number of IGs supported, thus limiting the number of CLECs that could establish an IG for this purpose.

* ***GR-303 DLCs Reduce Trunking Efficiency.*** An architecture that uses GR-303 DLCs for multi-carrier access to end-user loops requires each LEC to use, at a minimum, 1 DS1 uplink from the DLC to its switch. This in turn requires that a CLEC gain a "critical mass" of end-users so that each CLEC can utilize its DS1 uplink efficiently and cost-effectively. However, given current levels of CLEC market share and the typical number of subscribers serviced on any given DLC, such efficiencies may not be present.

* ***A GR-303 Approach May Not Be A Viable Approach For Smaller Sized RTs.*** For smaller sized RTs (*e.g.*, RTs <336 lines) it is unlikely that the supporting feeder facility is fiber. As a result, the necessary facilities required to accommodate multiple GR-303 IGs (*e.g.*, T1s) may not be present.

* ***Provisioning and Testing Issues.*** There are provisioning, alarm reporting, and testing issues that have not yet been worked out for using GR-303 in a multi-carrier environment. Eschelon Telecom has already identified some of these issues.[4]

* ***ILECs Predominately Use TR-08, Not GR-303.*** The predominant protocol currently used in ILEC networks and ILEC DLCs is TR-08, while GR-303 is the standard for CLECs. As a result, GR-303 capable DLCs which are needed to realize the concentrated EEL are not extensively deployed in ILEC networks today.

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[3] In addition to the issues discussed here, other CLECs such as Eschelon Telecom, Broadview Networks, and Talk America have raised technology and operational issues with respect to WorldCom's concentrated EEL proposal. *See* generally Eschelon et al., November 26, 2002 ex parte.

[4] *See* Letter from David A. Kunde, Executive Vice President of Network Operations, Eschelon Telecom, Inc. to Marlene H. Dortch, Secretary, Federal Communications Commission *at* 2-3 *dated* October 21, 2002.

In sum, the concentrated DS0 EEL proposal would likely require as much investment as any functional electronic loop provisioning proposal, but would resolve fewer key CLEC problems. Moreover, such a proposal entails a number of practical issues that have not yet been technically resolved. Therefore, it is unlikely to be of significant benefit in promoting facilities-based competition in the short-term, and it certainly is not a "cure" for the lack of access to UNE-P to serve mass market customers.

Sincerely,

Joan Marsh

cc: William Maher
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